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## Summary Sheet

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<b>Meeting dates:</b>	June 16, 2018
<b>Agenda Item 21:</b>	Budget and Legislative Workshop
<b>Presenter(s):</b>	Nate Pamplin, Policy Director Raquel Crosier, Legislative Liaison

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### **Background summary:**

When they enacted the 2017-19 biennial operating budget, state lawmakers directed WDFW to complete three tasks to improve the Department's long-term financial stability and operational efficiency:

- Develop a long-term plan to balance projected expenses and revenues by providing prioritized options for spending reductions and revenue increases.
- Identify and implement management improvements and operating efficiencies.
- Conduct a "zero-based budget review" to accompany the Department's proposed 2019-21 operating budget.

### Update

Since the April Commission meeting:

- The Department developed a carry-forward level budget for 2019-21. The overall budget problem statement is \$33M for 2019-21; that is, if there is no new funding appropriated, the Department would need to cut \$33M of services. The Department identified \$2.8M in activities that will cease in SFY2019, and thus reduced the size of the overall problem statement to \$30M.
- The Department developed draft decision packages to stabilize funding for 2019-21 as well as identified requests for strategic enhancements.
- The Department has met with the Budget and Policy Advisory Group on May 2 and June 13. They have nearly completed their findings and recommendations that will be included in the Long-Term Funding Plan, and have provided early guidance to the Department's draft budget decision packages.

### June Commission Meeting

The Commission adopted a "blue sheet" request in February 2018 requesting a briefing on state and federal legislative processes. Staff will brief the Commission about the agency's efforts in both venues.

Further, the Commission will be briefed on the process to develop 2019-21 operating budget requests, and will be asked for feedback regarding:

- Are these the right outcomes to pursue to maintain and enhance services?
- What is the overall funding target the Department should request?
- What fund source(s) should the Department seek for each outcome?

### August Commission Meeting

At the August commission meeting, Department staff will present the agency's budget request and agency request legislation, as well as feedback from stakeholders. Commissioners will be asked to adopt the agency's budget proposals and will be asked to approve the long-term funding plan and zero-based budget analysis.

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**Policy issue(s) you are bringing to the Commission for consideration:**

The Commission has expressed an interest in being more engaged in agency governance and influencing budget priorities. Both the recent Organizational Assessment by Matrix Consulting Group and the legislative direction in the proviso also encourage Commission engagement.

The Department will share the draft proposals for the budget and agency-request legislation to hear the Commission's feedback and be able to incorporate it prior to vetting through public meetings in July.

Further, Department staff will respond to a 'blue sheet' request regarding policy positions on current federal and state proposed legislation, as well as the role the commission plays in the process.

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**Fiscal impacts of agency implementation:**

Without new funding, the Department is anticipating a \$30M reduction in services in 2019-21 biennium. The Commission will make decisions on the agency's budget proposals and will be asked to approve the long-term funding plan and zero-based budget analysis at the August 2018 meeting.

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**Public involvement process used and what you learned:****Upcoming Proviso-related meetings:**

Budget and Policy Advisory Group: July 13; 9am-4pm; Olympia

An additional meeting of the Budget and Policy Advisory Group is planned for August 1 in Olympia.

The agency will also schedule meetings with stakeholder groups and key policy makers throughout the state during the summer of 2018 to gather feedback on budget proposals.

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**Action requested:** Guidance on the outcomes, fund source, and overall funding target.

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**Draft motion language:** N/A

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**Justification for Commission action:** N/A; Briefing only

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**Post decision communications plan:** N/A

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